

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)	
SPEARS WATER COMPANY)	CASE NO. 90-211

O R D E R

On July 26, 1990, Spears Water Company ("Spears") filed its revised tariff with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. 807 KAR 5:067.

The Commission, having reviewed the evidence of record and being sufficiently advised, finds:

1. Spears purchases its water from Kentucky-American Water Company ("Kentucky-American") and the city of Nicholasville ("City").

2. Kentucky-American bills on a declining block rate schedule. Effective June 28, 1990, Kentucky-American increased its rate for water sold to Spears by approximately 28 cents per 1,000 gallons. There was no change in the rates charged by the City.

3. During the twelve months ending June 30, 1990, Spears purchased 157,510,946 gallons of water, 37,803,300 gallons of which were purchased from Kentucky-American. Spears sold 146,389,600 gallons during the same 12-month period.

4. Spears' calculations are correct and show an increase in purchased water costs of \$10,753, resulting in a purchased water adjustment of 7 cents per 1,000 gallons of water.

5. The purchased water adjustment of 7 cents per 1,000 gallons and the rates shown in Appendix A, attached hereto and incorporated herein, are fair, just and reasonable and should be approved.

6. Spears' proposed tariff is correct and should be approved.

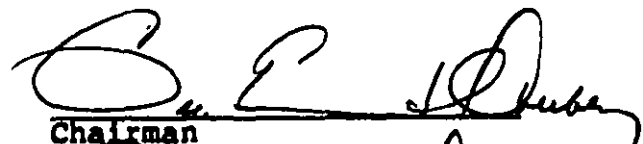
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment in the amount of 7 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after the date of this Order.

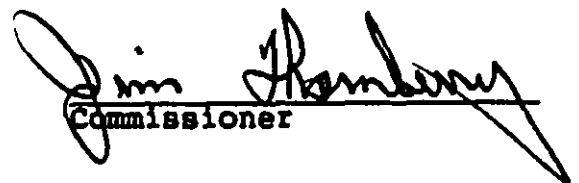
2. Spears' proposed tariff is approved as filed.

Done at Frankfort, Kentucky, this 21st day of August, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-211 DATED 8/21/90

The following rates and charges are prescribed for the customers in the area served by Spears Water Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Residential

<u>Usage Blocks</u>	<u>Monthly Rates</u>
First 2,000 gallons	\$8.88 Minimum Bill
Next 10,000 gallons	3.74 per 1,000 gallons
Over 12,000 gallons	2.89 per 1,000 gallons

Mobile Home and Field Services

<u>Usage Blocks</u>	<u>Monthly Rates</u>
First 1,000 gallons	\$5.04 Minumum Bill
Next 11,000 gallons	3.74 per 1,000 gallons
Over 12,000 gallons	2.89 per 1,000 gallons